

Invest Nebraska Act, LB620

Qualified Activity Reported in 2002

The Invest Nebraska Act requires a separate application subject to approval by the Invest Nebraska Board. The members of the board are the Governor, the State Treasurer, and the chairperson on the Nebraska Investment Council. A qualifying business selects one of the following options in their application.

1. \$10 million investment and 25 new employees whose annual wage exceeds the Nebraska average annual wage. This option is only available for projects located outside of counties with 100,000 or more in population.
2. \$50 million investment and 500 new employees OR \$100M and 250 new employees. The new employees annual wage must exceed 110% of the Nebraska average annual wage.
3. \$200 million investment and 500 new employees whose annual wage exceeds 120% of the Nebraska average annual wage.

If the company reaches and maintains the selected level, they are eligible for benefits. An eligible company earns a wage benefit credit equal to 0 to 5 percentage of the taxable wages paid to new employees earning more than the required wage level. A company selecting Option 3 may receive, in lieu of a wage benefit credit, an alternate investment tax credit equal to fifteen percent of the investment. The company is to expend at least the value of the wage benefit credit or alternate investment tax credit for company training programs, employee benefit programs, educational institution training programs or workplace safety programs.

The agreement specifies the option elected and the available benefits. The wage benefit credit and the alternate investment tax credit may be used for 100% of the income tax liability. The wage benefit credit may also be used to retain a portion of the Nebraska individual income tax withholding employer liability.

Five applications have been approved by the Invest Nebraska Board and one agreement signed under LB 620. No company has shown they met the required minimum levels of investment and employment to qualify for benefits. Therefore, no credits were allowed and no investment or new jobs are reported.

Agreements Signed in 2001 That are Still in Effect

Company Name	Project Type	Project Location
1. Union Pacific Railroad Company	\$200 M + 500 emp	Omaha

Other Applications Approved by Invest Nebraska Board in 2001

Company Name	Project Type	Project Location	Date Approved
1. American Meter Company, Inc.	\$33M + 80 emp	Nebraska City	December 19, 2001
2. Beef Products, Inc.	\$15M + 25 emp	South Sioux City	December 19, 2001
3. Wal-Mart Stores East, Inc.	\$10M + 25 emp	North Platte	November 26, 2001

Applications Approved by Invest Nebraska Board in 2002

Company Name	Project Type	Project Location	Date Approved
1. Natura Manufacturing Inc.	\$10M + 25	Fremont	April 30, 2002